

CALIFORNIA DEBT LIMIT ALLOCATION COMMITTEE
Estimated Public Benefits
Qualified Residential Rental Project Pool
2012 SUMMARY

State and local governmental agencies and joint powers authorities can issue tax-exempt housing revenue bonds. These bonds assist developers of multifamily rental housing units to acquire land and construct new units or purchase and rehabilitate existing units. The tax-exempt bonds are used to fund a loan with a below market interest rate. The low interest rate loan is used by the Project Sponsor to develop the project. Project Sponsors produce market rate and affordable rental housing for low and very low-income households by reducing rental rates to these individuals and families.

The California Debt Limit Allocation Committee is responsible for administering California's annual tax-exempt private activity bond program, known as "the annual State ceiling". For calendar year 2012, California's State ceiling is \$3.580 billion. Each year the Committee divides the annual State ceiling among several bond programs, known as "Program Pools", including the Qualified Residential Rental Project Pool (Rental Project Pool). For calendar year 2012, the Committee reserved approximately \$1.25 billion or 34.9% of the State ceiling for the Rental Project Pool. The \$1.25 billion of bond authority will be allocated throughout the calendar year to three sub-pools i.e., General Pool (consists of projects having 50.1% or more of its total units designated as Restricted Rental Units); Mixed Income Pool (consists of projects having 50% or fewer of its total units designated as Restricted Rental Units); and the Rural Project Pool (consists of projects located in a rural area as defined by California Health and Safety Code Section 50199.21 and not including Mixed Income projects).

The Committee awarded a total of \$628,174,120 for 109 rental projects in 2012. The Committee also authorized the use of \$334,255,888 of available 2009 carryforward allocation; \$192,993,812 of available 2010 carryforward allocation; and \$422,925,830 of available 2011 carryforward allocation increasing the total allocation awarded to \$1,578,349,650. Of this amount, \$1,294,170,303 was allocated to the General Pool, which includes 2009, 2010 and 2011 carryforward allocations, \$255,705,409 was allocated to the Mixed Income Pool, which includes 2009, 2010 and 2011 carryforward allocations, and \$28,473,938 was allocated to the Rural Project Pool, which includes 2009, 2010 and 2011 carryforward allocations.

These allocations financed an estimated 10,335 total units, of which approximately 9,384 were Restricted Rental Units. Restricted Rental Units are units within a Project that are restricted to households earning 60% or less of the Applicable Median Family Income. Of the 9,384 Restricted Rental Units, 4,083 will be restricted to very low income households with income at or below 50% of the area median income and approximately 5,301 units will be restricted to low income households with incomes at or below 60% of the area median income.

Of the estimated 10,335 units financed with the allocation, approximately 4,892 will be new construction units, 3,080 will be senior citizen units, 1,785 will be large family (3-4 bedrooms) units and 223 will be special needs units. In addition, this allocation will preserve approximately 1,247 income and rent restricted units that were at-risk of losing affordability restrictions.

After the allocations were made at the December 12, 2012 meeting, there was a 2012 volume cap balance of approximately \$2,660,000,000 remaining. Staff surveyed nine (9) highly active issuers. Six (6) of these issuers responded with interest in receiving a lump sum 2012 carryforward allocation. The Exempt Facility bond issuer, CPCFA, also indicated that they anticipate a sufficient number of projects over the next three years to support a 2012 lump sum allocation.

SUMMARY OF PROJECTS				
Total # of Projects	# of New Constr. Projects	# of Acq. & Rehab Projects	# of Family Projects	# of Senior Citizen Projects
109	50	59	81	28
% of Total:	45.9%	54.1%	74.3%	25.7%

SUMMARY OF UNITS												
Total # of Units	# of Restricted Units	Units @ 50%	Units @ 60%	Market Rate Units	# of New Constr. Units	# of Acq. & Rehab. Units	# of At-Risk Units	# of Family Units	# of Large Family Units	# of Sr. Citizen Units	# of Special Need Units	
10,335	9,384	4,083	5,301	951	4,892	5,440	1,247	7,253	1,785	3,080	223	
% of Total:	90.8%	39.5%	51.3%	9.2%	47.3%	52.6%	12.1%	70.2%	17.3%	29.8%	2.2%	

SUMMARY OF POOL CATEGORIES																	
Pool Type	Total # of Projects	Total # of Units	# of Restr. Units	Units @ 50%	Units @ 60%	Market Rate Units	# of Family Units	# of Large Family Units	# of Sr. Citizen Units	# of Special Needs Units	# of At-Risk Units	# of NC Units	# of Acq. & Rehab Units	# of NC Projs.	# of Acq. & Rehab. Projs.	# of Fam. Projs.	# of Sr. Projs.
GENERAL	97	9,021	8,822	3,649	5,173	199	6,087	1,759	2,932	176	1,191	3,782	5,236	42	55	71	26
MIXED INCOME	7	1,063	313	242	71	750	1,063	12	0	0	0	1,063	0	7	0	7	0
RURAL	5	251	249	192	57	2	103	14	148	47	56	47	204	1	4	3	2
Totals:	109	10,335	9,384	4,083	5,301	951	7,253	1,785	3,080	223	1,247	4,892	5,440	50	59	81	28